

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-03513A
Strawberry Water Co., Inc.
% Brooke Utilities, Inc.
P.O. Box 82218
Bakersfield CA 93380

RECEIVED

MAY 03 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name): Strawberry Water Company, Inc.

Mailing Address: P.O. Box 82218
(Street)

Bakersfield CA 93380
(City) (State) (Zip)

800-270-6084 or 661-633-7546 800-748-6981
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: customerservice@scwater.com or mistiej@brookeutilities.com

Local Office Mailing Address: 1010 South Stover Road

Payson AZ 85541
(City) (State) (Zip)

928-474-8130 928-474-1695
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

MANAGEMENT INFORMATION

Management Contact: Robert T. Hardcastle President
(Name) (Title)

P.O. Box 82218 Bakersfield CA 93380
(Street) (City) (State) (Zip)

661-633-7526 800-748-6981
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: rth@brookeutilities.com

On Site Manager: Dean Shaffer
(Name)

1010 South Stover Road Payson AZ 93380
(Street) (City) (State) (Zip)

928-474-8130 928-474-1695
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address: deans@brookeutilities.com

☐ Please mark this box if the above address(es) have changes or are updated since the last filing.

Statutory Agent: Robert T. Hardcastle
(Name)

P.O. Box 82218
(Street)

Bakersfield
(City)

CA
(State)

93380
(Zip)

661-633-7526
Telephone No. (Include Area Code)

800-748-6981
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Jay Shapiro W/ Fennmore Craig
(Name)

3003 N. Central Ave., Ste. 2600
(Street)

Phoenix
(City)

AZ
(State)

85012
(Zip)

602-916-5000
Telephone No. (Include Area Code)

602-916-5566
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|--|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) | |

COUNTIES SERVED

Check the box for the county/ies in which you are certified to provide service:

<input type="checkbox"/> APACHE	<input type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input checked="" type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization	6,739	2,853	3,886
302	Franchises			
303	Land and Land Rights	4,309	4,309	-
304	Structures and Improvements	98,744	74,993	23,751
307	Wells and Springs	227,045	104,270	122,775
311	Pumping Equipment	184,133	73,699	110,434
320	Water Treatment Equipment	7,674	2,660	5,014
330	Distribution Reservoirs and Standpipes	170,921	162,732	8,189
331	Transmission and Distribution Mains	665,075	422,016	243,059
333	Services	44,142	33,730	10,412
334	Meters and Meter Installations	133,127	64,045	69,082
335	Hydrants	167	38	129
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	43,102	23,310	19,792
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	3,328	477	2,851
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	52	8	44
	TOTALS	1,588,558	969,139	619,419

This amount goes on the Balance Sheet Acct. No.108

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	6,739	2.63%	177
302	Franchises			
303	Land and Land Rights	4,309	0.00%	-
304	Structures and Improvements	98,744	2.69%	2,652
307	Wells and Springs	227,045	2.65%	6,006
311	Pumping Equipment	184,133	2.60%	4,780
320	Water Treatment Equipment	7,674	2.59%	199
330	Distribution Reservoirs and Standpipes	170,921	2.57%	4,390
331	Transmission and Distribution Mains	665,075	2.64%	17,542
333	Services	44,142	2.75%	1,215
334	Meters and Meter Installations	133,127	2.60%	3,456
335	Hydrants	167	2.99%	5
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	43,102	3.20%	1,379
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	3,328	2.61%	87
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	52	3.85%	2
	TOTALS	1,588,558	2.64%	41,890

This amount goes on Comparative Statement of Income and Expense
Acct. No.403.

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ -	\$ -
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	(23,749)	7,617
146	Notes/Receivables from Associated Company		
151	Plant Materials and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	(196)	(196)
	TOTAL CURRENT AND ACCRUED ASSETS	\$ (23,945)	\$ 7,421
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,578,517	\$ 1,588,558
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	(927,249)	(969,139)
121	Not-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 651,268	\$ 619,419
	DEFERRED INCOME TAX DEBITS	\$ 368,000	\$ 368,000
	TOTAL ASSETS	\$ 995,323	\$ 994,840

NOTE: The Assets on this page should be equal to **Total Liabilities & Capital** on the following page.

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 9,916	\$ 12,251
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Company	78,562	205,216
235	Customer Deposits	11,103	13,364
236	Accrued Taxes	11,286	12,897
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	7,320	7,320
	TOTAL CURRENT LIABILITIES	\$ 118,187	\$ 251,049
	LONG-TERM DEBT (Over 12 Months)		
224	Long-term Notes and Bonds	\$ 28,196	\$ 7,761
	Deferred Credits		
251	Unamortized Premium on Debt		
	Refundable Meter Advances	\$ 27,560	\$ 28,831
252	Advances in Aid of Construction	77,907	77,907
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Taxes		
	TOTAL DEFERRED CREDITS	\$ 105,467	\$ 106,738
	TOTAL LIABILITIES	\$ 251,850	\$ 365,548
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 274,955	\$ 274,955
211	Paid In Capital in Excess of Par Value	535,551	535,551
215	Retained Earnings	(67,033)	(181,214)
218	Proprietary Capital (Sole Props & Partnerships)		
	TOTAL CAPITAL	\$ 743,473	\$ 629,292
	TOTAL LIABILITIES AND CAPITAL	\$ 995,323	\$ 994,840

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 384,718	\$ 388,018
460	Unmetered Water Revenue		
474	Other Water Revenues	47,652	21,454
	TOTAL REVENUES	\$ 432,369	\$ 409,472
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 62,057	\$ 72,255
610	Purchased Water	17,566	15,950
615	Purchased Power	27,667	29,188
618	Chemicals	2,512	3,455
620	Repairs & Maintenance	12,487	11,733
621	Office Supplies and Expense		
630	Outside Services	107,045	249,916
635	Water Testing	5,018	4,270
641	Rents		153
650	Transportation Expenses		513
657	Insurance - General Liability		
659	Insurance - Health and Life	7,424	6,763
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	39,122	39,808
403	Depreciation Expense	41,475	41,890
408	Taxes Other Than Income	23,988	24,255
408.11	Property Taxes	19,004	21,010
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 365,365	\$ 521,159
	OPERATING INCOME/(LOSS)	\$ 67,005	\$ (111,687)
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -	\$ -
421	Non-Utility Income	12	
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(4,408)	(2,494)
	TOTAL OTHER INCOME/EXPENSE	\$ (4,396)	\$ (2,494)
	NET INCOME/(LOSS)	\$ 62,609	\$ (114,181)

COMPANY NAME: STRAWBERRY WATER COMPANY, INC

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN # 1	LOAN # 2	LOAN # 3	LOAN # 4
Date Issued	5/1/2000			
Source of Loan	Brooke Utilities			
ACC Decision No.	see below (1)			
Reason for loan	see below (2)			
Dollar Amount Issued	\$ 87,700			
Amount Outstanding	\$ 7,761			
Date of Maturity	4/30/2005			
Interest Rate	10%			
Current Year Interest	\$ 1,926			
Current Year Principal	\$ 20,434			

Meter Deposit Balance at Test Year End \$ 28,831

Meter Deposits Refunded During the Test Year \$ 4,320

(1) From E&R Water	ACC Decision # 62400	\$55,000
From Williamson Water	ACC Decision # 62363	\$14,000
From United Utilities	ACC Decision # 62401	<u>\$18,700</u>
		\$87,700

(2) The purpose of the loan was to finance capital expenditure project to improve water system infrastructures.

COMPANY NAME: Strawberry Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION **WELLS**

<u>ADWR ID No.</u>	<u>Description</u>	<u>Pump Yield (GPM)</u>	<u>Casing Depth (Feet)</u>	<u>Casing Diameter (Inches)</u>	<u>Meter Size (Inches)</u>	<u>Year Drilled</u>	<u>Arsenic Levels (mg/l)</u>
55-635776	RW	0	60	6	2	1968	0.003
55-635780	SV3	0	60	6	1	1968	0.003
55-635773	SR2	0	60	8	2	1960	0.003
55-635774	SV1	14.5	40	6	2	1970	0.003
55-635779	SR5	10.0	400	6	1	1997	0.003
55-807338	SP	21.8	250	6	1	1978	0.003
55-635762	SR3	8	250	6	1	1979	0.003
55-635771	SMH	No pump					N/A
55-616681	SK2	0	205	16	2	1976	0.003
55-616680	Sk1	5	250	10	1	1976	0.003
55-603962	SCF	2.1	25-	6	2	1979	0.005

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Water Sharing Agreement : M	17.5	8,760
Water Sharing Agreement: O	5.5	1,188
Water Sharing Agreement: J1	17.0	7,060
Water Sharing Agreement: J2	11.0	3,949
Water Sharing Agreement: K	2.10	926

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2	none	
7.5	8		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000 gallons	3	350 gallons	4
15,000 gallons	1	500 gallons	1
20,000 gallons	2	1,000 gallons	1
67,5000 gallons	1	2,000 gallons	3
100,000 gallons	1	3,000 gallons	1

Company Name: Strawberry Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	ABS	7,200
2	Steel	100
3	ABS	23,050
3	Steel	120
4	PVC	39,620
4	ABS	1,840
4	AC	330
6	Steel	1,300
6	AC	18,000
6	PVC	35,000

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 x 3/4"	1,068
3/4	10
1	10
1 1/2	
2	1
COMP. 3	
TURBO 3	
COMP. 4	
TUBO 4	
COMP. 6	
TURBO 6	
Total	1,089

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

2- pellet chlorinators

STRUCTURES:

1- 8' x 12' concrete block building

1- 8' x 8' concrete block building

2 - 8' x 12' concrete block buildings

1-10' x 12' concrete block building

5- 8' x 8' concrete block buildings

1- 10' x 20' wooden frame building

OTHER:

COMPANY NAME:

Strawberry Water Co., Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004
PWS Number 04-006

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD ¹	GALLONS PUMPED (Thousands) ²
January	1,011	1,819	1,269
February	1,010	1,904	933
March ³	1,013	1,361	679
April	1,017	2,516	912
May	1,015	2,852	2,099
June	1,015	5,055	U/A ⁴
July	1,018	4,899	2,502
August	1,031	5,106	2,660
September	1,032	2,981	1,856
October	1,029	2,923	1,718
November	1,030	3,131	1,903
December	1,026	3,627	1,681
Total		38,175	18,212

¹ Gallons sold includes gallons sold to Pine Water Co., Inc. and moved through "Project Magnolia Pipeline".

² Gallons pumped from Strawberry Water -owned wells. See "other water sources" on page 10

³ March 2004 customer consumption estimated due to severe weather and snow cover

⁴ Strawberry Water improved well reading procedures in June 2004 to ensure well meters were read during the same time period as customer meters. As a result of the transition, actual June 2004 production is combined with both May and July production.

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system __See page 10__ mg/L
(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Strawberry Water Co. ,Inc. YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 20,007.06

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

35884
1/2

Strawberry Water Company, Inc
P.O. Box 82218
@Bakersfield, CA 93380-2218

BANK OF AMERICA
1440 TRUXTON AVENUE
BAKERSFIELD, CA 93301

10,504.87 18760

CHECK NO.

10-66
1220

***** Ten Thousand Five Hundred Four and 87/100 *****

DATE

AMOUNT

Oct 6 04

\$10,504.87

PAY
TO THE
ORDER
OF

GILA COUNTY TREASURER
P.O. BOX 1093
GLOBE, AZ 85502

Farmer

018760 122000661 14769 01525 0001050487

10/13/04 LA,CA
122000661
E5631 S48 67100048680
FEDERAL RESERVE NOTE

BANK ONE, NA
11119013314
10122004
3340673285

OCT 12 04

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE
RESERVED FOR FINANCIAL INSTITUTION USE

50231 79519

PAY TO THE ORDER OF
BANK ONE, ARIZONA, NA
PHOENIX, ARIZONA
122100024
FOR DEPOSIT ONLY
GILA COUNTY TREASURER
11804047

COMPANY NAME Strawberry Water Co., Inc.

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported <114,181>
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported <114,181>
Estimated or Actual State Tax Liability 0

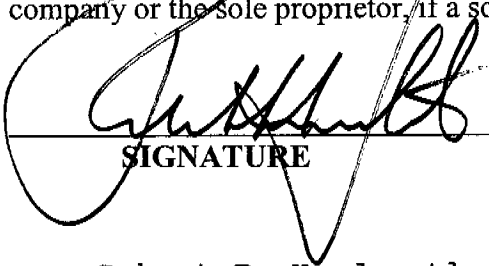
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

Robert T. Hardcastle
PRINTED NAME

4-29-05

DATE

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED

MAY 03 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF California

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Kern
NAME (OWNER OR OFFICIAL) TITLE	Robert T. Hardcastle President
COMPANY NAME	Strawberry Water Co., Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE, 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 409,472

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 24,255
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL.)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



(SEAL)

COUNTY NAME

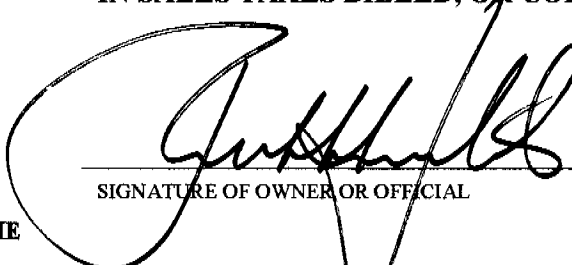
Kern

MONTH

April

2005

SIGNATURE OF OWNER OR OFFICIAL



MY COMMISSION EXPIRES

9-12-08

SIGNATURE OF NOTARY PUBLIC



FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

STRAWBERRY WATER COMPANY 2004
BALANCE SHEET
Dec 31 04

Unaudited

ASSETS

	2004 -----	2003 -----
WATER UTILITY PLANT:		
Utility Plant in Service	10,040.78	23,192.33
Utility Plant in Service	1,578,517.41	1,555,325.08
Less: Accum Depreciation & Amortization	(969,139.19)	(927,248.99)
	-----	-----
WATER UTILITY PLANT, NET	619,419.00	651,268.42
OTHER UTILITY ASSETS:		
	-----	-----
TOTAL OTHER UTILITY ASSETS	0.00	0.00
CURRENT & ACCRUED ASSETS:		
Customer Accounts Receivable	7,617.21	(23,749.48)
Unclaimed Monies	(195.79)	(195.79)
	-----	-----
TOTAL CURRENT & ACCRUED ASSETS	7,421.42	(23,945.27)
DEFERRED DEBITS:		
Accum Deferred Income Taxes	368,000.00	368,000.00
	-----	-----
TOTAL DEFERRED DEBITS	368,000.00	368,000.00
	-----	-----
TOTAL ASSETS	994,840.42	995,323.15
	=====	=====

STRAWBERRY WATER COMPANY 2004
Dec 31 04
LIABILITIES AND SHAREHOLDERS EQUITY

	2004 -----	2003 -----
EQUITY CAPITAL:		
Retained Earnings	(67,032.64)	(67,032.64)
Income from Utility Operations	(114,180.89)	0.00
Common Stock	274,955.00	274,955.00
Additional Paid in Stock	535,551.00	535,551.00
	-----	-----
TOTAL EQUITY IN PARTNERSHIP	629,292.47	743,473.36
CURRENT ACCRUED LIABILITIES:		
Accounts Payable	12,251.44	9,916.35
Accounts Payable Assoc. Co.	205,216.05	78,561.95
Customer Deposits	13,363.69	11,102.69
Other Miscellaneous Accruals	20,217.59	18,605.84
	-----	-----
TOTAL CURRENT ACCRUED LIABILITIES	251,048.77	118,186.83
LONG TERM DEBT:		
Notes Payable-LTerm- Assoc Co	7,761.31	28,195.59
	-----	-----
TOTAL LONG TERM DEBT	7,761.31	28,195.59
DEFERRED CREDITS:		
Advances for Construction	77,907.00	77,907.00
Refundable Meter Advances	28,830.87	27,560.37
	-----	-----
TOTAL DEFERRED CREDITS	106,737.87	105,467.37
CONTRIBUTIONS:		
	-----	-----
TOTAL CONTRIBUTIONS	0.00	0.00
	-----	-----
TOTAL LIABILITIES & EQUITY	994,840.42	995,323.15
	=====	=====

	LAST YEAR	LAST YTD	CURRENT YEAR	DEC	NOV	OCT	SEP
	-----	-----	-----	-----	-----	-----	-----
OPERATING REVENUE:							
Metered Sales - resi	376,174.65	376,174.65	370,263.55	31,629.78	29,149.12	31,403.69	31,679.69
Metered Sales - comm	8,543.22	8,543.22	17,754.45	6,382.25	4,642.21	1,945.67	786.06
Establishment Charge	2,829.00	2,829.00	4,237.18	445.00	255.00	753.88	325.00
Late Fees	1,354.60	1,354.60	1,462.41	235.46	25.24	143.93	114.37
Other Water Revenues	43,468.00	43,468.00	15,754.00	0.00	0.00	(1,685.38)	1,685.38
TOTAL OPERATING R	432,369.47	432,369.47	409,471.59	38,692.49	34,071.57	32,561.79	34,590.50
OPERATING EXPENSES:							
SOURCE OF SUPPLY:							
OPERATIONS:							
Purchased waters	17,566.02	17,566.02	15,950.45	2,843.76	1,261.21	1,034.63	1,380.51
Purchased power	27,666.60	27,666.60	29,187.50	4,819.98	2,161.53	2,459.76	2,491.42
SUBTOTAL	45,232.62	45,232.62	45,137.95	7,663.74	3,422.74	3,494.39	3,871.93
MAINTENANCE:							
Salaries & Wages-	280.15	280.15	177.88	0.00	0.00	0.00	0.00
SUBTOTAL	280.15	280.15	177.88	0.00	0.00	0.00	0.00
TOTAL SOURCE O	45,512.77	45,512.77	45,315.83	7,663.74	3,422.74	3,494.39	3,871.93

STRAWBERRY WATER COMPANY 2004
 UNAUDITED STATEMENT OF INCOME
 12 PERIODS ENDED Dec 31 04
 Consolidated Departments

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	LAST YEAR	LAST YTD	CURRENT YEAR	DEC	NOV	OCT	SEP
(continued)							
WATER TREATMENT:							
OPERATIONS:							
Chemicals	2,512.26	2,512.26	3,455.37	246.72	120.50	329.63	353.98
Regulatory Water	2,733.00	2,733.00	4,269.91	57.50	75.00	2,830.91	87.50
SUBTOTAL	5,245.26	5,245.26	7,725.28	304.22	195.50	3,160.54	441.48
MAINTENANCE:							
Sal. & Wages-empl	487.85	487.85	1,218.56	36.32	0.00	73.20	109.80
Materials & suppl	1,497.53	1,497.53	613.08	309.60	303.48	0.00	0.00
Regulatory Water	2,284.81	2,284.81	0.00	0.00	0.00	0.00	0.00
SUBTOTAL	4,270.19	4,270.19	1,831.64	345.92	303.48	73.20	109.80
TOTAL WATER TR	9,515.45	9,515.45	9,556.92	650.14	498.98	3,233.74	551.28
TRANSMISSION & DISTRIBUTION:							
OPERATIONS:							
Salaries & Wages-	177.23	177.23	0.00	0.00	0.00	0.00	0.00
SUBTOTAL	177.23	177.23	0.00	0.00	0.00	0.00	0.00
MAINTENANCE:							
Salaries & Wages	11,540.79	11,540.79	11,714.61	1,667.24	741.18	1,284.95	626.39
Materials & suppl	8,338.11	8,338.11	11,058.79	2,456.62	120.51	567.52	862.44
Rental of equipme	1,158.27	1,158.27	153.16	0.00	0.00	0.00	0.00
SUBTOTAL	21,037.17	21,037.17	22,926.56	4,123.86	861.69	1,852.47	1,488.83
TOTAL TRANSMIS	21,214.40	21,214.40	22,926.56	4,123.86	861.69	1,852.47	1,488.83
CUSTOMER ACCOUNTS:							
OPERATIONS :							
Sal. & Wages - em	1,999.63	1,999.63	1,814.13	0.00	0.00	71.05	0.00
Materials and Sup	0.00	0.00	61.15	0.00	0.00	0.00	61.15
Contractual serv.	6,266.79	6,266.79	7,860.90	278.20	710.05	702.65	701.50
TOTAL CUSTOMER	8,266.42	8,266.42	9,736.18	278.20	710.05	773.70	762.65

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(continued)

ADMINISTRATIVE & GENERAL:

OPERATIONS:

Sal. & Wages- emp	40,696.37	40,696.37	49,324.77	11,317.59	3,173.49	4,478.16	3,652.53
Employee pensions	3,342.42	3,342.42	0.00	0.00	0.00	0.00	0.00
Materials & suppl	2,651.24	2,651.24	0.00	0.00	0.00	0.00	0.00
Contract Serv.-Ac	24,956.61	24,956.61	26,678.48	2,386.07	2,334.20	2,367.21	2,385.96
Contractual serv.	3,440.00	3,440.00	0.00	0.00	0.00	0.00	0.00
Contractual serv.	70,287.83	70,287.83	188,696.33	54,723.91	12,186.89	10,187.92	25,278.08
Contractual serv.	2,093.29	2,093.29	26,679.98	195.00	762.00	0.00	0.00
Overhead Allocati	33,951.65	33,951.65	35,538.89	2,877.04	3,206.30	3,086.46	2,735.30
Transportation ex	0.00	0.00	513.00	0.00	0.00	0.00	0.00
Ins. - wrkmn's co	1,401.88	1,401.88	1,311.16	193.06	82.10	152.64	88.63
Ins. -medical/den	7,423.94	7,423.94	6,763.27	531.27	531.29	570.77	581.16
Telephone	934.83	934.83	1,014.00	155.82	0.00	155.82	0.00
Dues & Subscripti	141.68	141.68	0.00	0.00	0.00	0.00	0.00
Bad Debt Expense	343.08	343.08	822.72	97.60	0.00	529.33	0.00
Licenses & Permit	58.93	58.93	211.68	150.69	0.00	0.00	0.00
State Sales Tax	23,988.07	23,988.07	24,254.60	2,392.47	2,052.66	2,111.01	2,032.95
Utility regulator	0.00	0.00	864.74	0.00	0.00	0.00	0.00
Property taxes	19,004.38	19,004.38	21,009.74	3,254.82	1,750.81	1,750.81	1,583.70
Other taxes & Lic	1,131.76	1,131.76	45.00	0.00	45.00	0.00	0.00
TOTAL ADMINIST	235,847.96	235,847.96	383,728.36	78,275.34	26,124.74	25,390.13	38,338.31

SERVICE ORDERS:

OPERATIONS:

Sal. & Wages - em	3,532.88	3,532.88	8,004.89	922.86	924.52	1,817.90	606.56
TOTAL SERVICE	3,532.88	3,532.88	8,004.89	922.86	924.52	1,817.90	606.56

TOTAL OPERATIONS	298,302.37	298,302.37	454,332.66	87,444.36	31,377.55	34,636.66	44,020.93
TOTAL MAINTENANCE	25,587.51	25,587.51	24,936.08	4,469.78	1,165.17	1,925.67	1,598.63

TOTAL OPERATIONS & M	323,889.88	323,889.88	479,268.74	91,914.14	32,542.72	36,562.33	45,619.56
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PROVISION FOR DEPREC	41,474.79	41,474.79	41,890.20	3,500.56	3,492.08	3,507.28	3,505.49
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INCOME (LOSS) FROM OPE	67,004.80	67,004.80	(111,687.35)	(56,722.21)	(1,963.23)	(7,507.82)	(14,534.55)
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OTHER INCOME <EXPENSE>:

Nonutility Income	11.75	11.75	0.00	0.00	0.00	0.00	0.00
Interest Expenses	(4,407.84)	(4,407.84)	(2,493.54)	(96.72)	(127.22)	(195.83)	(151.70)

TOTAL OTHER INCOME <	(4,396.09)	(4,396.09)	(2,493.54)	(96.72)	(127.22)	(195.83)	(151.70)
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NET INCOME (LOSS)	62,608.71	62,608.71	(114,180.89)	(56,818.93)	(2,090.45)	(7,703.65)	(14,686.25)
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